

BRANSON 3rd QUARTER 2014 MARKETING REPORT

November 10, 2014

Branson Convention & Visitors Bureau

BRANSON

PRESENTATION OVERVIEW

Economic Outlook

U.S. Travel Performance

Travel Industry Update

Branson 3Q 2014 Performance

Branson Visitor Update

Department Updates

ECONOMIC OUTLOOK

Consumer Confidence is at 86.0, up 11% in 2014.
However, this is down 8% from a high of 93.4 reported
earlier this year.



+11.0%

In 2014

An index of 90 is
considered
necessary for
sustainability and
100 is required for
growth.

Source: The Conference Board

BRANSON

U.S. Unemployment Rate stands at 5.9%, the lowest it has been since September 2008.

The Unemployment rate had dipped to 6.1% in June and now stands at 5.9%, down from 6.7% at the start of the year.

5.9%

Sept 2014



Source: Bureau of Labor Statistics

U.S. Gasoline Prices averaged \$3.35 in September, up 5% on the year and down 3.5% compared to the same time last year.



-3.5%

vs. Sept 2013

EIA reports that
gasoline prices
averaged \$3.35 in
September

Source: U.S. Energy Information Administration

The DJIA closed at 17,043 in September 2014.



+2.8%

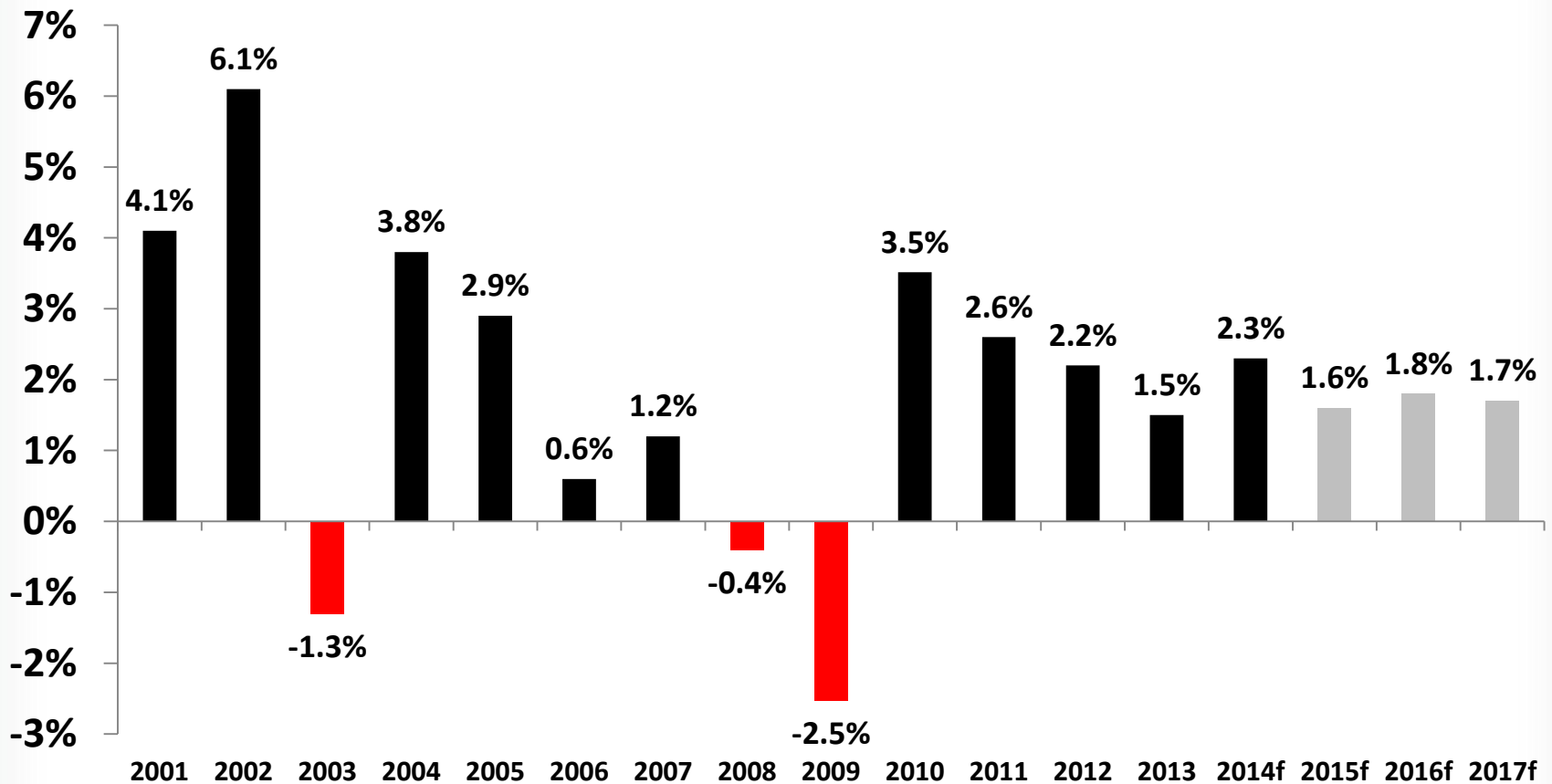
In 2014

The DJIA hit
17,043 in
September, up
from the 16,577
close in December
2013

Source: Dow Jones Industrial Average

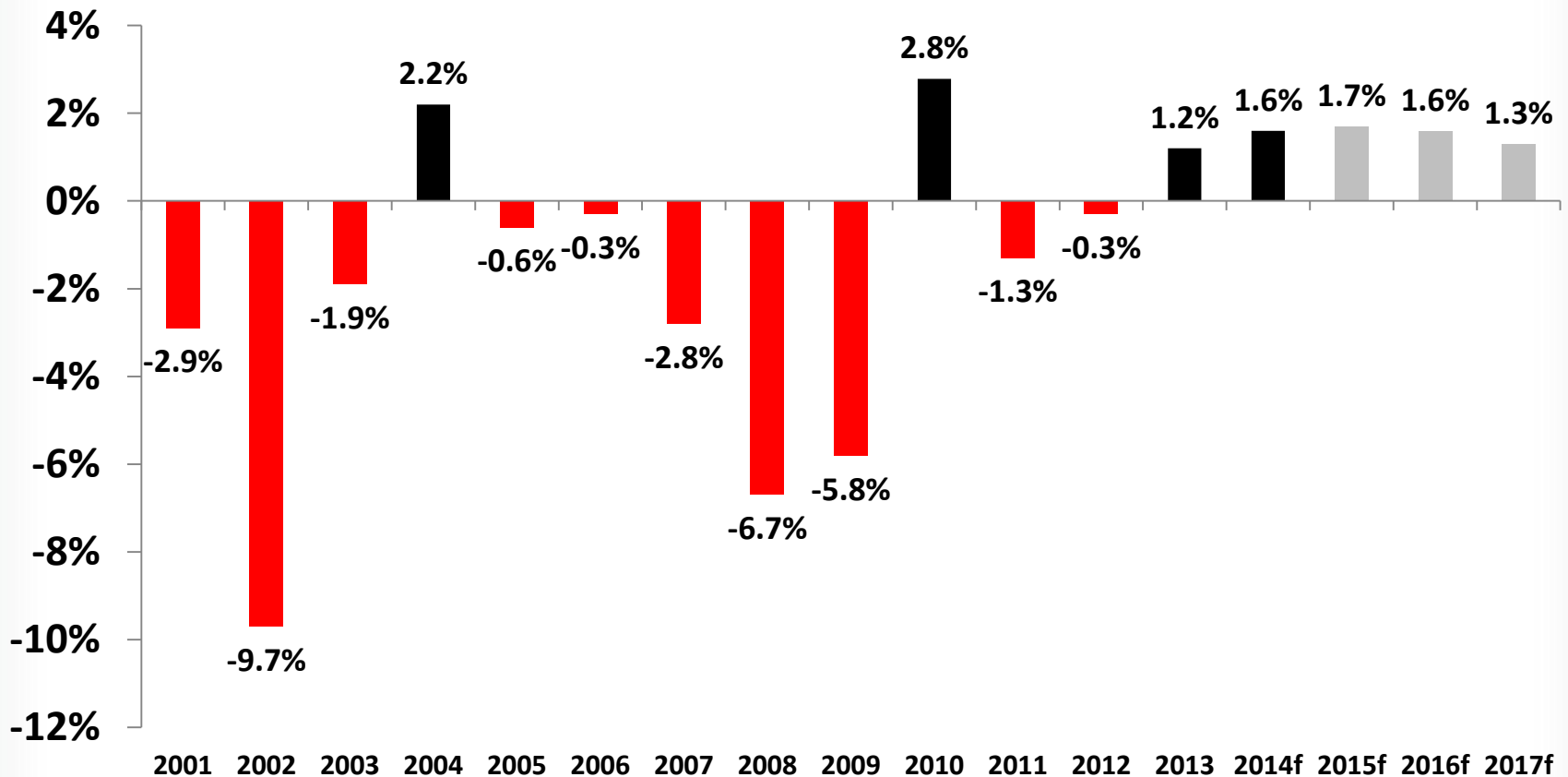
U.S. TRAVEL PERFORMANCE

The U.S. Travel Association estimates leisure travel was up 1.5% in 2013 and revised its 2014 estimate upward to +2.3%.



Source: U.S. Travel Association, 10.21.14

Business travel volume is estimated to have increased by 1.2% in 2013 and is projected to grow 1.6% in 2014.



Source: U.S. Travel Association, 10.21.14

Nationwide, room demand is up 4.1% over the previous 12 month period.

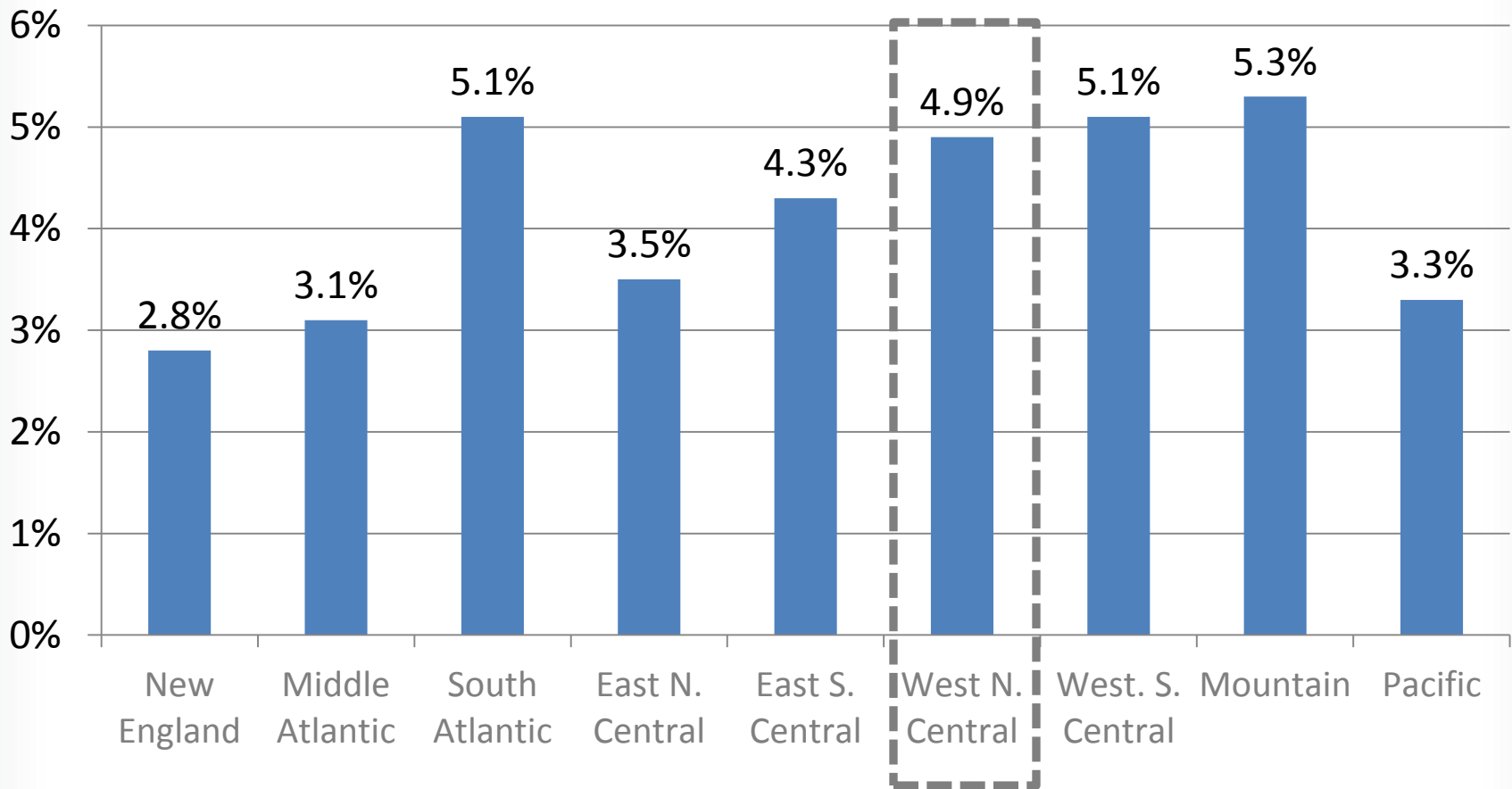


+4.1%
Past 12 Months

Source: Smith Travel Research, September 2014

U.S. room demand is up in every census region, but is strongest in the Mountain region.

EOY Variance in Room Demand by Census Region



Source: Smith Travel Research, September 2014

TRAVEL INDUSTRY UPDATE

TRAVEL INDUSTRY OVERVIEW

U.S. Economy & Travel Growth

According to Adam Sacks, president of Tourism Economics, the U.S. economy is poised to accelerate. Household spending continues to gain momentum, unemployment claims are down, consumers are shedding debt, there has been comparatively low inflation and business investment is growing.

The travel industry has a long history of “hugging” the GDP. But, this year travel is outperforming expectations. While GDP this year is growing steadily at 2.1%, U.S. hotel room demand is growing at more than twice that rate (4%+).

TRAVEL INDUSTRY OVERVIEW

Forecast 2014

2014 lodging demand is expected to grow by 3.6% in calendar year 2014, but forecast to slow to growth of only 2.1% in 2015. Conversely, room supply is expected to pick up steam growing by 1.0% in 2014 and by 1.3% next year. The net result is a national occupancy forecast that is up 2.6% for 2014, but is expected to be nearly flat (+0.7%) in 2015.

The larger opportunity for growth appears to be in pricing. Average daily rates are expected to increase by 4.2% this year and by another 4.4% in 2015. Therefore, like the rest of the travel industry, growth in travel revenues is expected to exceed growth in demand next year.

TRAVEL INDUSTRY OVERVIEW

MMGY's Outlook:

While Adam Sacks expects demand for travel to cool a bit in 2015, Peter Yesawich of MMGY expects the opposite. MMGY's research shows that more travelers (with incomes over \$50k) are thinking about traveling again. According to Peter Yesawich, the biggest drag on growth over the past few years has been concerns about travel prices and affordability, and people are less concerned about pricing. People are more optimistic about job security and their own personal finances. The most optimistic generation of all is Millennials.

We'll find out next year, but one of these epic industry experts is likely to be proven wrong while the other will walk away with bragging rights.

TRAVEL INDUSTRY OVERVIEW

DMO Advertising Trends

Online ad spending is projected to account for 58% of total advertising budgets in 2015. Every year less is being spent in traditional media. DMOs, however, spend an average of only 42% of their budgets online.

Digital ad spending in the travel industry grew 18% per year from 2013-2015, and is expected to continue for the foreseeable future.

TRAVEL INDUSTRY OVERVIEW

Voice of the Meeting Planner

According to Brittany Baldwin, Director of Business Development at STR, the most important considerations of meeting planners regarding site selection are past experience (92%), attendee feedback (84%), reputation/image of the location (81%), conference hotel chain/site (66%) and colleague's recommendations (66%).

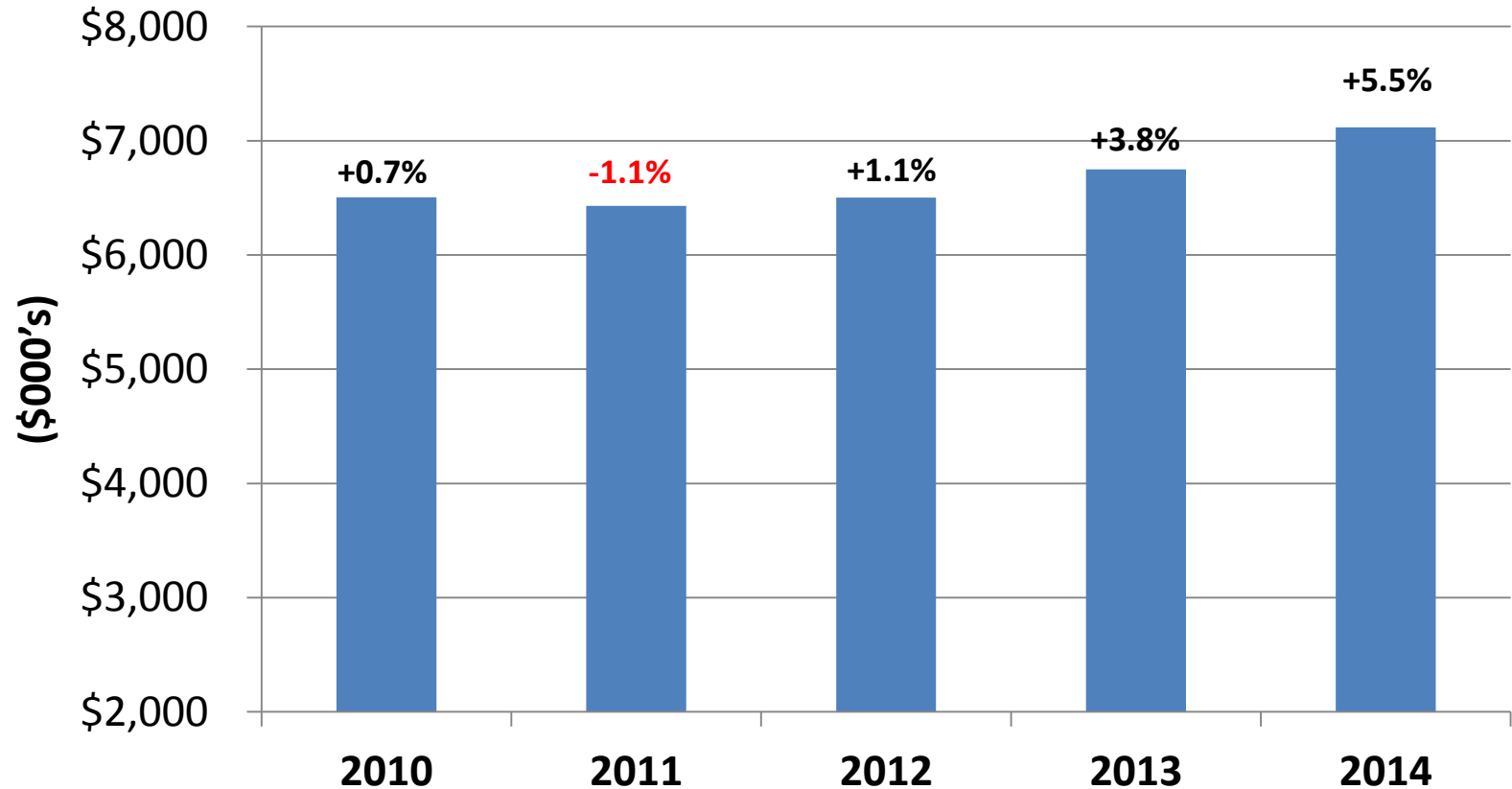
Brittany Baldwin sees less value shopping among meeting planners this year and more focus on the destination experience

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BRANSON 3Q 2014 PERFORMANCE

CITY OF BRANSON SALES TAX

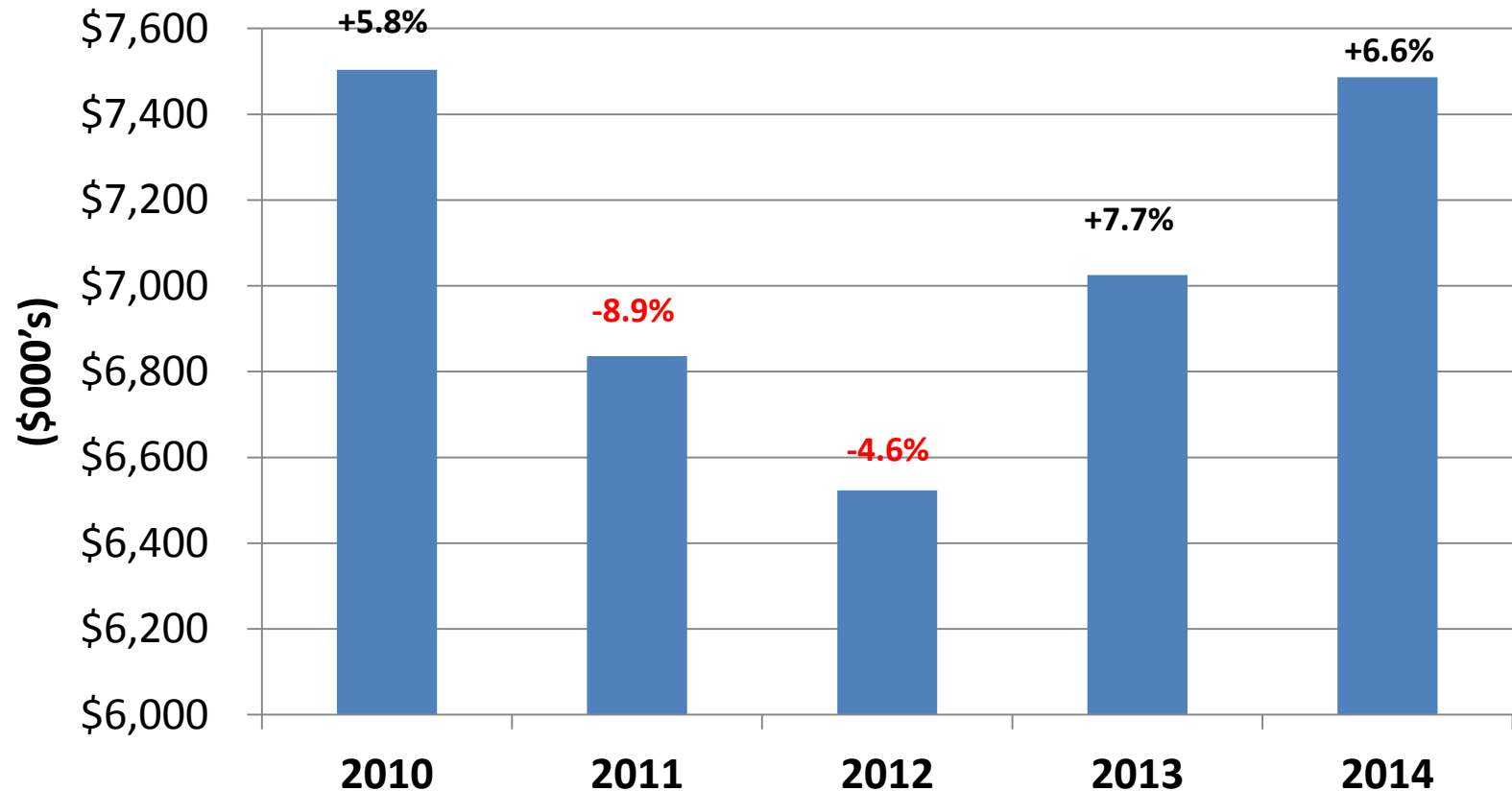
YTD through August 2014



Source: City of Branson

CITY OF BRANSON TOURISM TAX

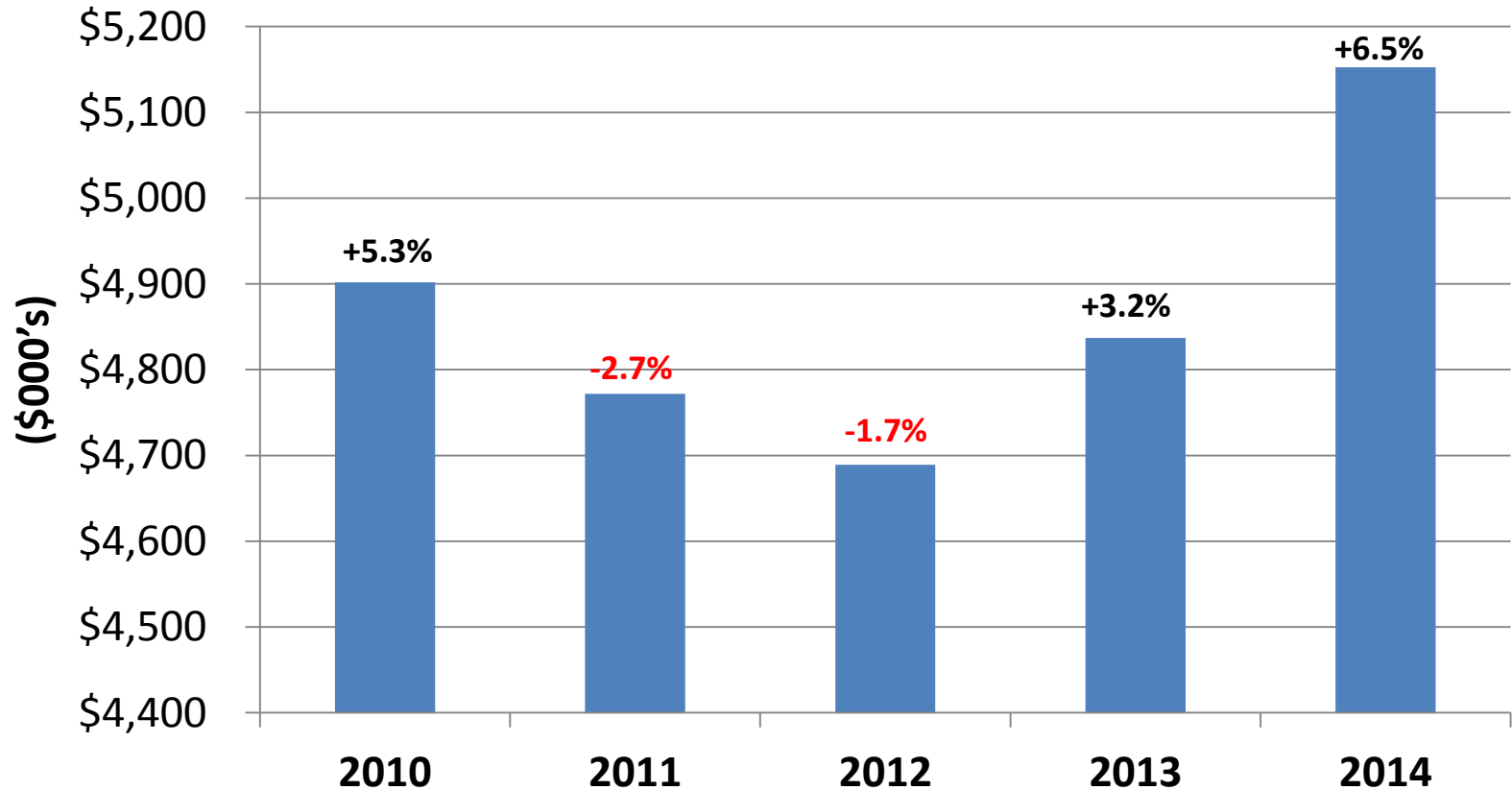
YTD through August 2014



Source: City of Branson

TCED TOURISM TAX

YTD through August 2014



Source: TCED

BRANSON VISITOR UPDATE

2014 VERSUS 2013

Branson Visitor Profile Insights (YTD through August)

	<u>2014</u>	<u>2013</u>	<u>VAR</u>
Spending per party	\$921	\$987	-\$66
First-time visitors	22.9%	26.2%	-3.3%
% Families	43.6%	40.8%	+2.8%
Average adult age	57.2	56.4	+0.8
Length of stay	4.2	3.9	+0.3
% saw shows	74.8%	79.8%	-5.0%
Avg. # shows seen	3.22	3.15	+0.07

Source: BCBV Visitor Profile Research; H2R Market Research

2014 YTD VISITATION BY MARKET

DMA Report Findings (YTD Through August)

% of Visitors	Market	Var. to 2013*
14.6%	Core Market (0-100 miles)	-3.2%
29.5%	Primary Markets (101-300 miles)	+16.8%
25.4%	Outer Markets (301-650 miles)	+3.5%
30.4%	National Markets (651+ miles)	+6.9%
100.0%	Total	+7.1%

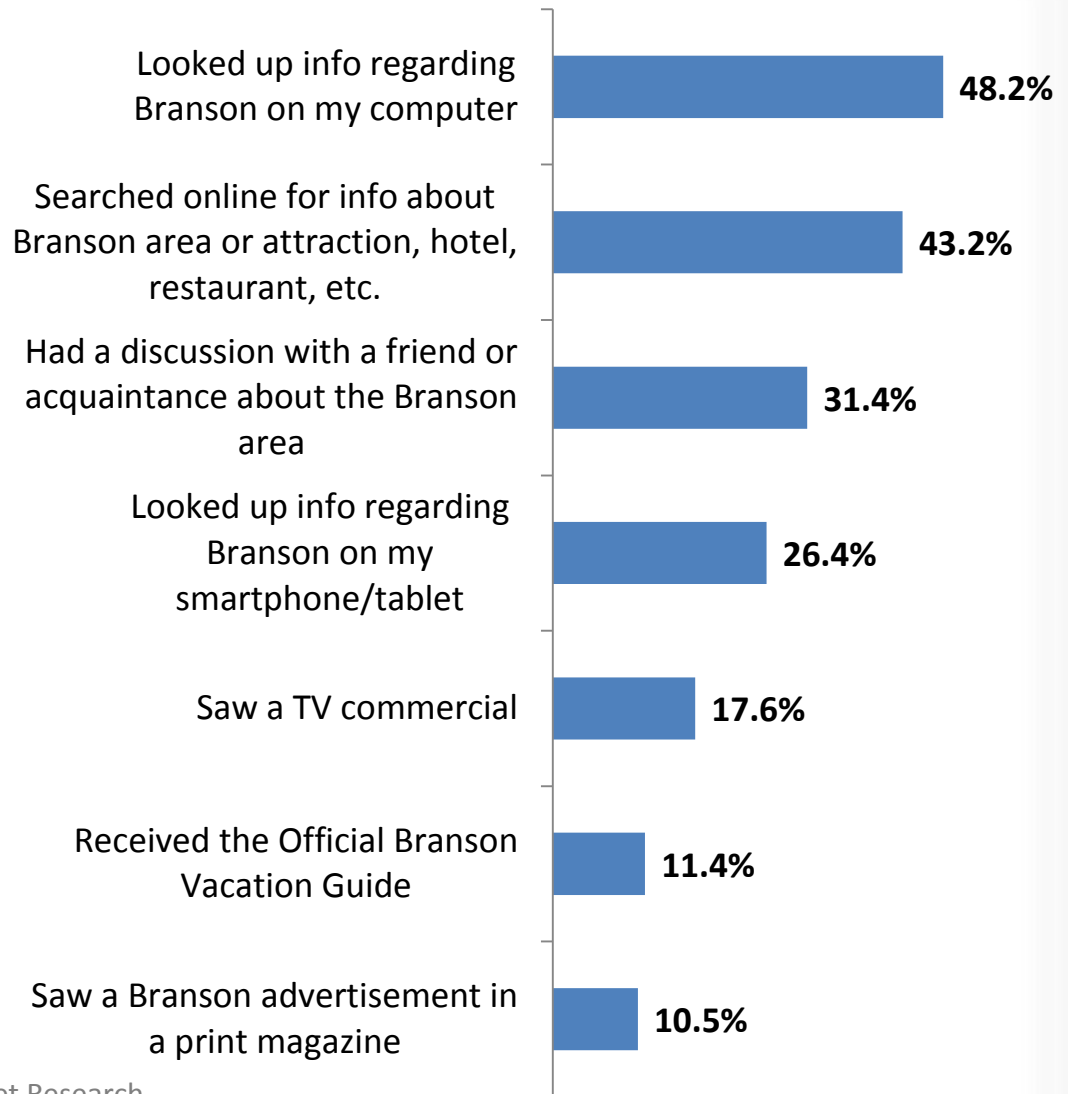
Source: BCVB Visitor DMA Report; H2R Market Research

**Weighted by estimated visitation*

Branson Messages Received

Branson visitors say they are most likely to have received Branson messages by searching online at home via computer, talking with friends, using their smartphone to search for information or saw a television ad. The list to the right includes all sources that generated an incidence of 10% or more.

Sources from Which Messages Received

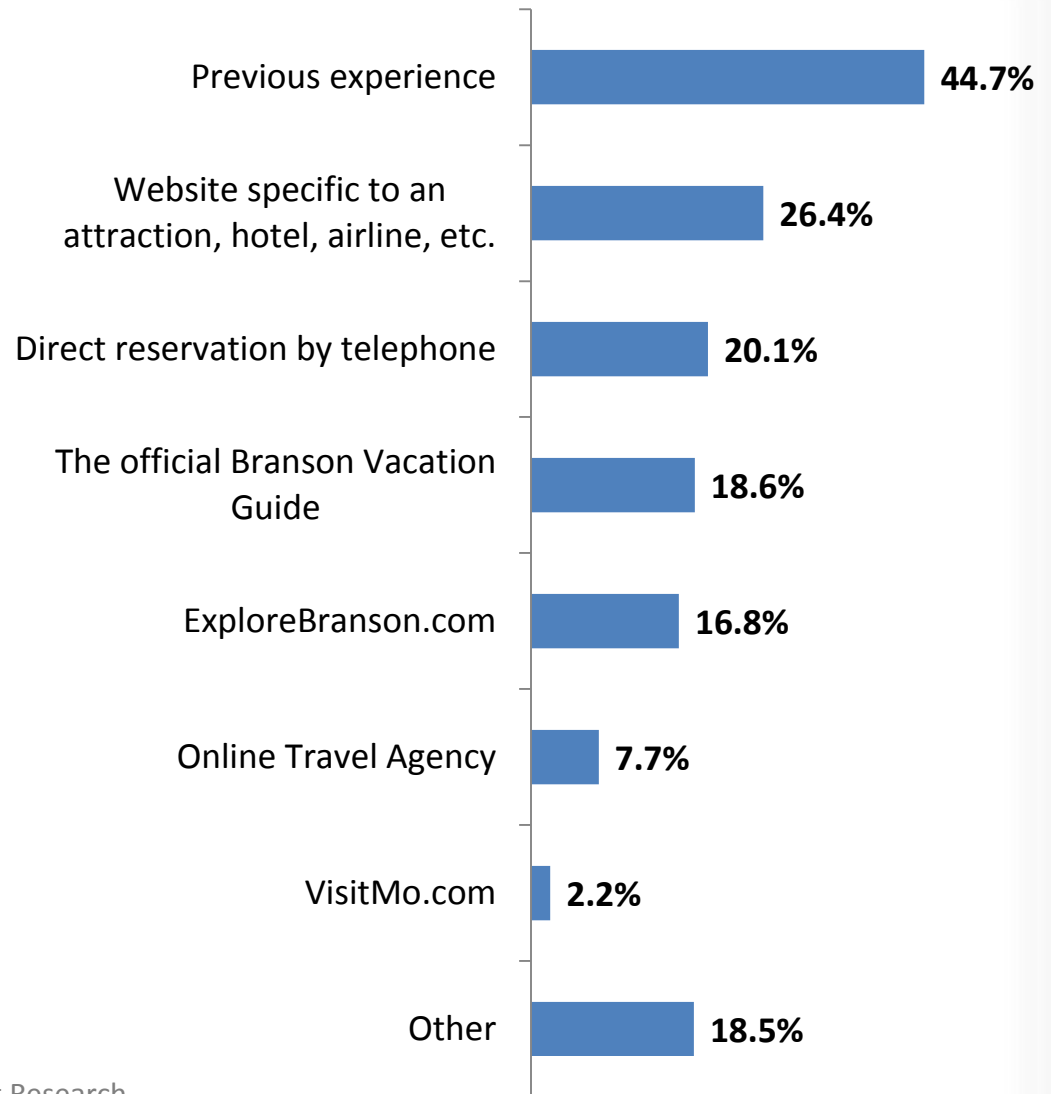


Source: BCVB Visitor Profile Research; H2R Market Research

Planning Sources

Branson visitors are indicating that the source most often used to help them research and plan their trip is the official Branson Vacation Guide followed by the specific websites of area attractions, hotels, etc. and direct reservations made by telephone.

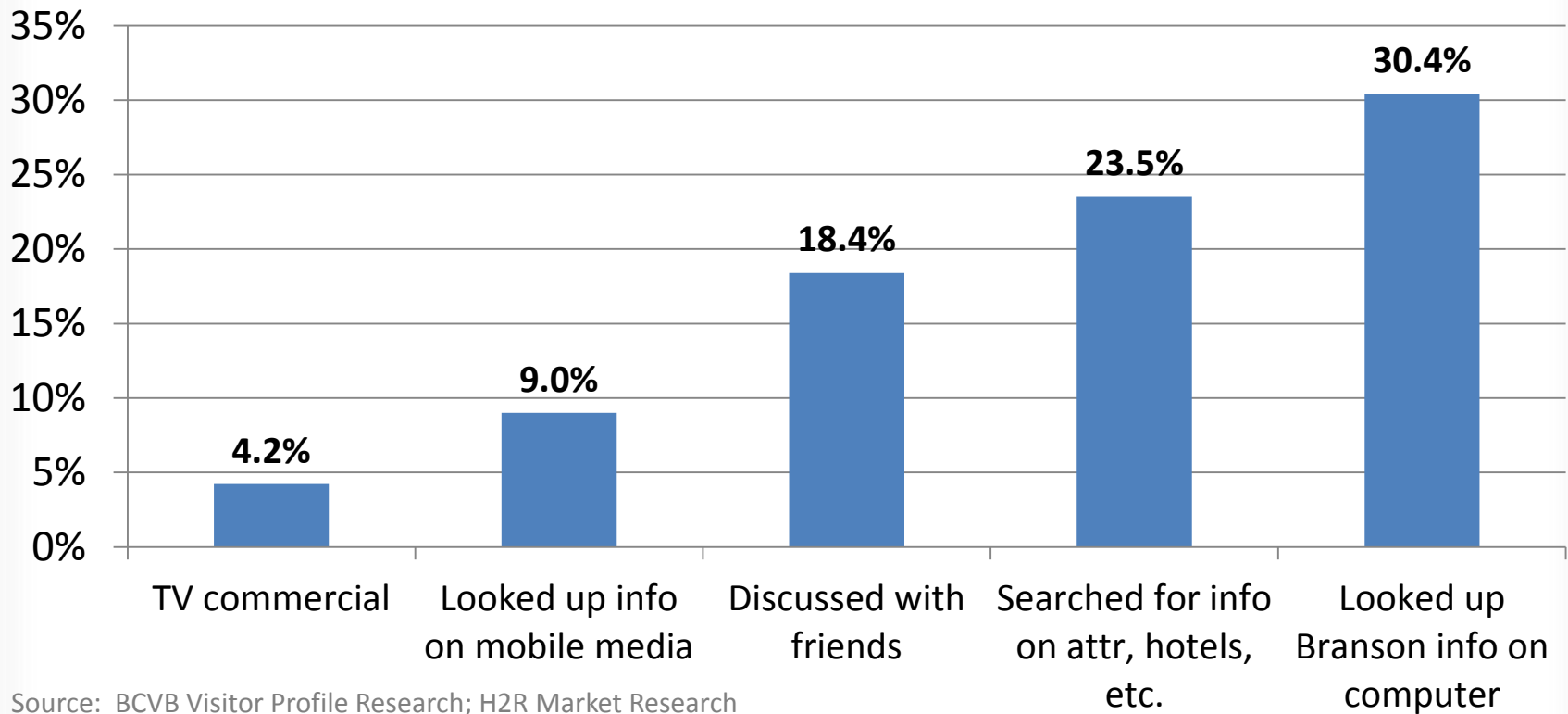
Sources Used to Plan Branson Trip



Source: BCVB Visitor Profile Research; H2R Market Research

MOST INFLUENTIAL MESSAGE SOURCES

Visitors say they are most influenced by messages they get by looking up information about Branson, or specific businesses, from their computers at home—or from talking with friends.



Source: BCVB Visitor Profile Research; H2R Market Research

Public Relations

- American Country Star will bring their search for the next new country star to Branson for 6 weeks next year.
- Three new reality shows in 2015: *Branson Taxi* debuts on Reelz; *Branson Famous* premieres on truTV; *A Very Barry Branson* airs on Great American Country (GAC).
- Rudy Maxa's World, America's #1 radio travel show with a weekly audience of 1.4 million via 230+ radio stations, featured Branson.

ExploreBranson.com

- Began development of new ExploreBranson.com for launch in early 2015
 - Development being done in coordination with vendor Miles Partnership and CVB staff
- Put in place a new video-editing computer to produce more videos to be used as social/web content

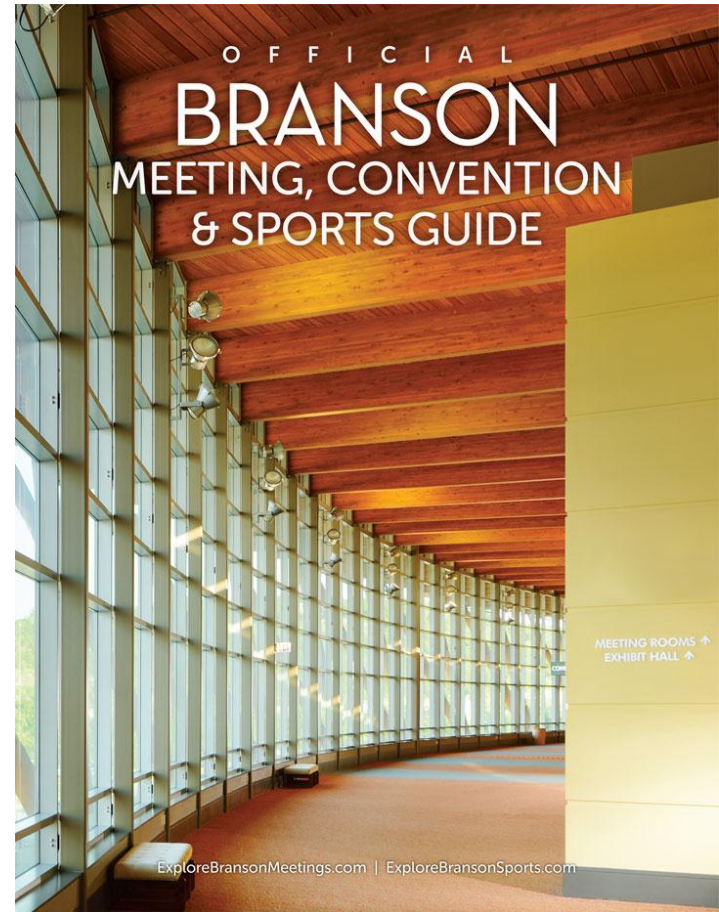
Social Media

- Social media audit and competitive analysis was completed by TwoSix Digital.
- Hosted two Twitter Parties
 - Combined total of over 50 engaged consumers
 - Combined total of over 30 engaged businesses
 - Combined total of over 250 retweets



Meetings & Conventions

- The *Branson Meeting, Convention & Sports Guide* was published in September.
- Launched the Meet Me in Branson campaign - encouraging Branson partners to become advocates in their industries to bring more meetings to our destination.
- Our department distributed 54 RFPs in 3Q.
- An outside sales contractor was added to the M&C team to expand efforts in the corporate market.



Sports Marketing & Development

- Terra Alphonso's title and responsibilities changed
- Fastpitch America Softball Association (FASA) hosted their U8-U18 World Series at the Branson Rec Plex for the first time
- Joey Rich, Missouri Amateur Softball Assn. (ASA) State Commissioner was in town June 19th for a site visit

Recent Travel

- Connect Sports Aug. 21-24
- S.P.O.R.T.S. - The Relationship Conference Sept. 8-11, 2014

Advertising

- Collinson's Annual Sports Guide
- SEM May and June Issues
- SDM May / June Issue
- The Coach's Handbook for Cheerleading - Annual Publication



SPORTS.
ONE MORE
THING PLAYING
IN BRANSON.

Branson theaters' lighting, sound and technical support and our state-of-the-art convention center are perfect for cheerleading and dance competitions. With sporting possibilities and activities for miles, it's all smiles.

BRANSON
800-203-0113
ExploreBransonSports.com

Leisure Group Sales

- Request for Proposals thru reunion and affinity groups up by 16% YTD
- Request for Information thru tour groups, youth groups and affinity groups up 23.5% YTD.
- ABA Branson Sponsors fundraising goal on target with 26 sponsors signed. ABA St. Louis, Jan 10-13, 2015.
- SYTA Conference scheduled in Branson, August 27 - Sept 1, 2015